



washington state department of
community, trade and economic development

RENEWAL COMMUNITIES PROGRAM

Local Government Division

Renewal Communities (RC)

The Community Renewal Tax Relief Act of 2000 (Act) designates the cities of Tacoma and Yakima as Renewal Communities, replacing their designation as Enterprise Communities.

The Renewal Communities designation provides targeted tax incentives for businesses located in these communities. One specific tax incentive is the Commercial Revitalization Deduction (CRD) that allows for accelerated depreciation of qualified revitalization expenditures related to the cost of a new building or the cost of substantially rehabilitating an existing building by providing a deduction from income before calculating federal income tax.

The amount of deduction per community is \$12,000,000, with a limitation of \$10,000,000 per project.

CTED is the designated Community Revitalization Agency (CRA) to oversee, award and monitor the CRD allocations in the state. Each city has developed their own Qualified Action Plan that outlines the criteria and process for projects applying for credits.

For More Information

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Further information

Contact the city of Yakima at: www.ci.yakima.wa.us
Contact the city of Tacoma at www.cityoftacoma.org
Contact HUD at www.hud.gov

For specific information about Renewal Community (and other available) tax incentives, see IRS Publication 954 available at www.irs.gov.